AAA Funding Formula

How the numbers change – An overview of data sources

Prepared By: Debra D. Tighe

State of Vermont

Department of Aging and Independent Living

Information Data Unit

April 4, 2006

The Formula Does Not Change

Each AAA's funding is calculated, as an estimate, for the next fiscal year using the funding formula and current allocations.

The formula calculates funding based on these factors:
- Age – 33 1/3% of the overall weighting
- OAP – 80% of the remainder
- POV125 – 20% of the remainder

Age= Age 60+ State Population
OAP= Age 75+ Living Alone with Income Below the Federal Poverty Limit
POV125= Age 60+ with Income Below 125% of the Federal Poverty Limit

For FY06 and thereafter the formula is based on the best available US Census published data as of March 15th of the preceding Federal Fiscal Year.
For FY08 we proposed using the best available US Census published data as of February 1st of the preceding Federal Fiscal Year.

Data Sources Do Change

Sec. 304 OLDER AMERICANS ACT OF 1965 32

(D) (4) The number of individuals aged 60 or older in any State and in all States shall be determined by the Assistant Secretary on the basis of the **most recent data available from the Bureau of the Census, and other reliable demographic data** satisfactory to the Assistant Secretary.

But must follow the guidelines of the Older Americans Act of 1965

Sec. 305 OLDER AMERICANS ACT OF 1965

(2) the State agency shall—

(C) in consultation with area agencies, in accordance with guidelines issued by the Assistant Secretary, **and using the best available data**, develop and publish for review and comment a formula for distribution within the State of funds received under this title that takes into account—

- (i) the geographical distribution of older individuals in the State; and

- (ii) the distribution among planning and service areas of older individuals with greatest economic need and older individuals with greatest social need, with particular attention to low-income minority older individuals;

Data Sources used in past 5 years

US Census Bureau

Census 2000 Summary File 1 (SF1) 100-Percent Data. Summary file 1 presents counts and information [age, sex, race, Hispanic/Latino origin, household relationship, whether residence is owned or rented] collected from all people and housing units.

Census 2000 Summary File 3 (SF3) – Sample Data. Summary File 3 presents detailed population and housing data (such as place of birth, education, employment status, income, value of housing unit, year structure built) collected from a 1-in-6 sample and weighted to represent the total population.

U.S. Census – Municipal Population Estimates for July 1, 2000 through July 1, 2004. Total population and absolute and percent change. Cities and Towns table (mcd). Produced in conjunction with the FSCPE (see below)

FSCPE (The Federal/State Cooperative Program for Population Estimates)

State FSCPE agencies, designated by their respective governors, work in cooperation with the Population Estimates Branch of the U.S. Census Bureau to produce subnational population estimates. The UVM Center for Rural Studies, The Vermont Data Center is the designated FSCPE for Vermont.

Vermont Department of Health

Table A-2 Yearly Estimated Vermont Population – Census Vermont Population by Age & Sex by County – 2003 Originally Published Estimates and 2003 Revised Estimates
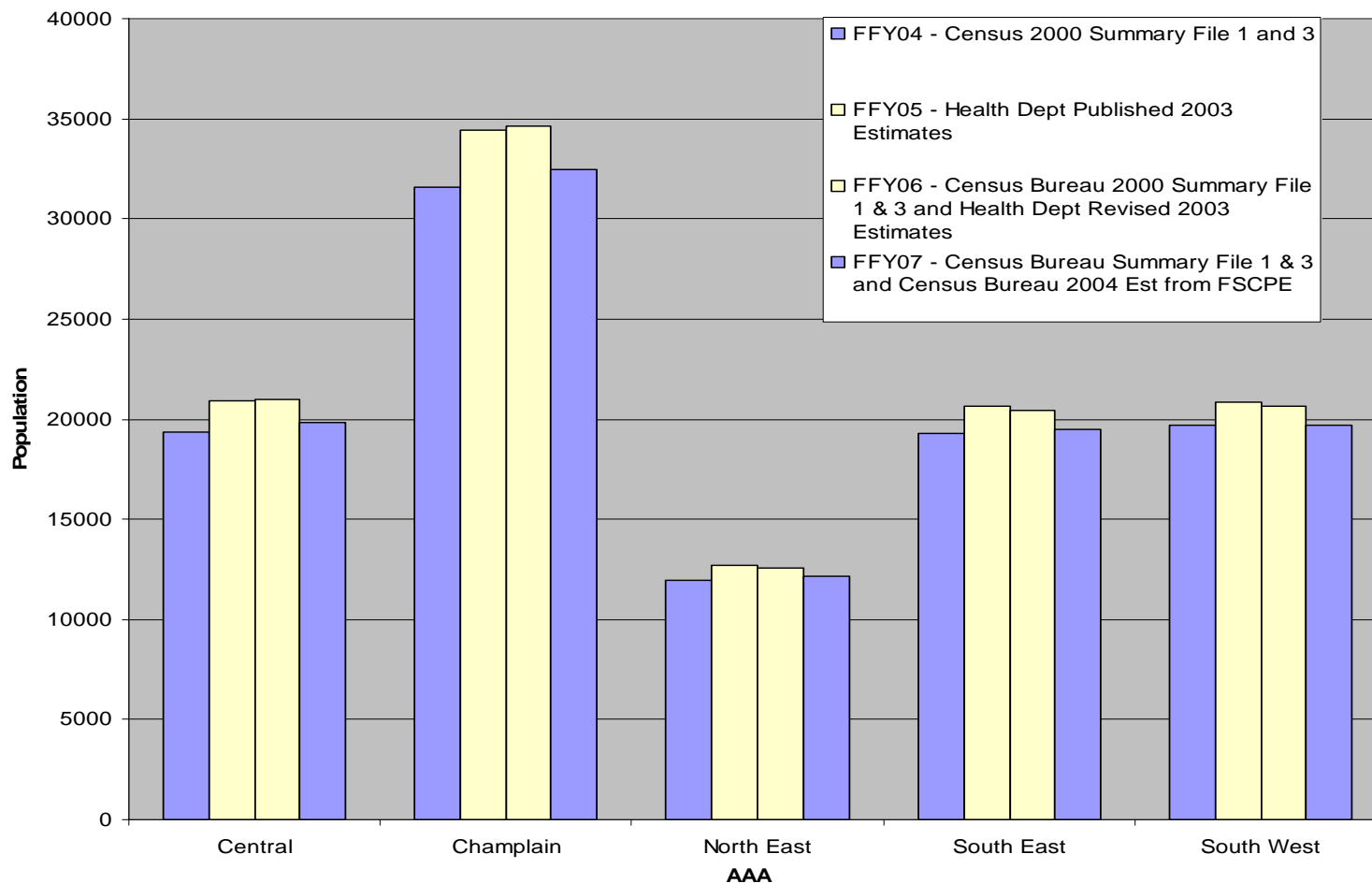
Timeline of Published Data

March-02   FFY03 funding estimates released using U.S. Census 2000 published numbers

March-03   FY04 funding estimates released using U.S. Census 2000 published numbers and Census 2001 estimates

February-04   2003 Population estimates from the VT Department of Health released

March-04   FY05 funding estimates released using 2003 population estimates from the VT Department of Health

April-04   VT Department of Health retracts initial 2003 estimates and publishes revised estimates

May-04   Consensus is reached that FY05 funding estimates will not be revised using the republished data from VT DOH

March-05   FY06 funding estimates released using revised 2003 population estimates from VT Department of Health

June-05   U.S. Census Bureau publishes July 1, 2004 population estimates

March-06   FY07 funding estimates released using U.S. Census July 1, 2004 population estimates

June-06   Anticipated release of U.S. Census July 1, 2005 population estimates

February-07   *Proposed release of FY08 funding estimates based on U.S. Census July 1, 2005 population estimates
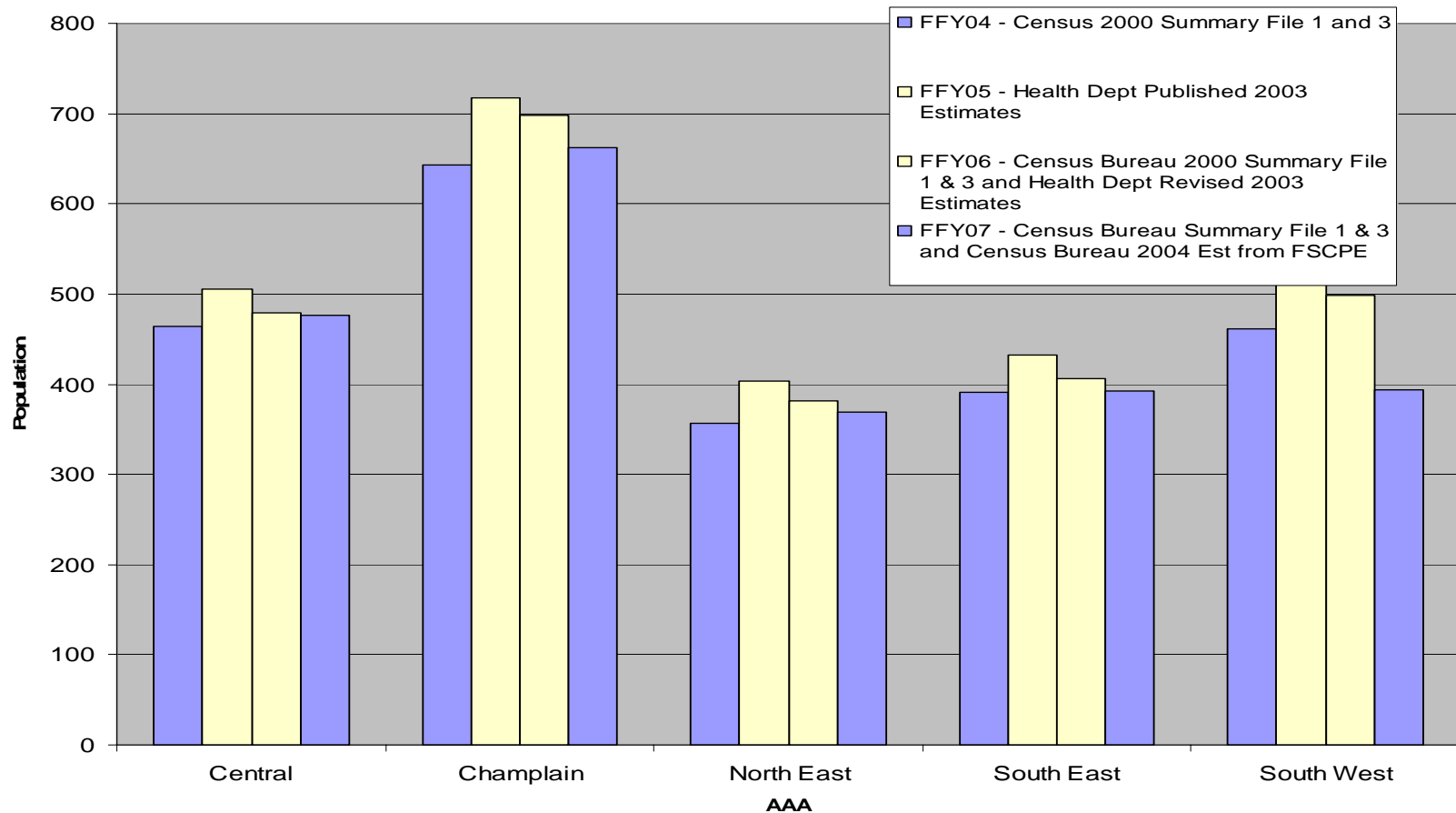
Age Data Source Overview FY04-FY07

AGE (60+) by Federal Fiscal Year
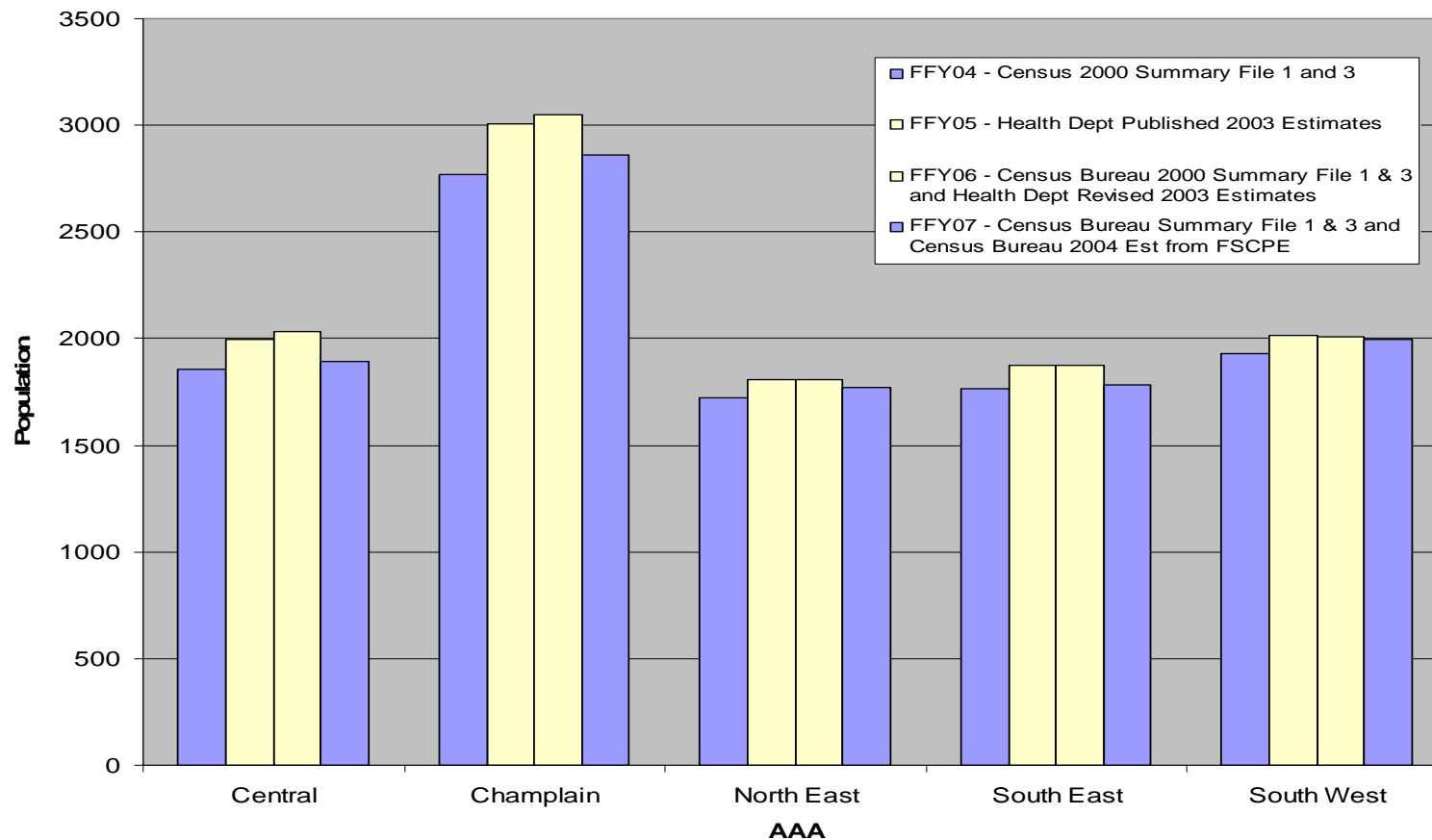
OAP Data Source Overview FY04-FY07

OAP By Federal Fiscal Year

POV Data Source Overview FY04-FY07
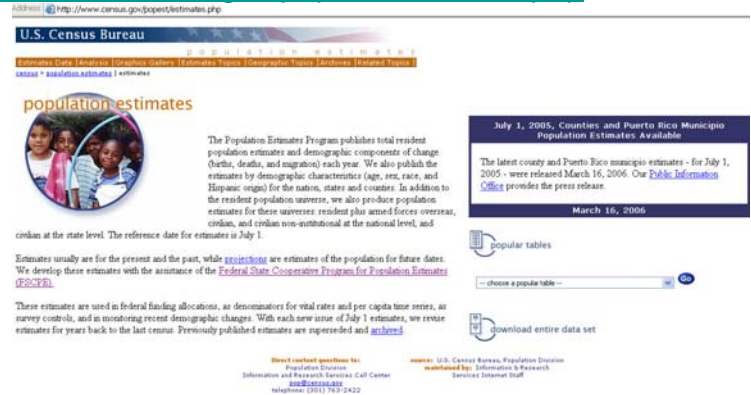
POV125 by Federal Fiscal Year

FSCPE and the US Census Bureau

FSCPE History:

Informal cooperation between the Federal Government and the states in the area of local population estimates existed as early as 1953. In 1966, the National Governor's Conference, in cooperation with the Council of State Governments, initiated and sponsored the 'First National Conference on Comparative Statistics,' held in Washington, D.C. This conference gave national recognition to the increasing demand for subnational population estimates. Between 1967 and 1973, a group of Census Bureau and state employees charged with developing annual subnational population estimates, formalized the Federal-State Cooperative Program for Local Population Estimates.

http://www.census.gov/popest/estimates.php

http://www.census.gov/population/www/coop/fscpe.html

Website for Data Sources and current information

U.S. Census Bureau, Census 2000 Summary File 1 and Summary File 3.

http://factfinder.census.gov/

FSCPE Municipal Population Estimates for July 1, 2000 through July 1, 2004.

http://crs.uvm.edu/census/estimates/town/2004/mcd.xls

Vermont Department of Health 2003 Estimated Vermont population – Table A-2, 2003 Census Vermont Population by Age & Sex by County.

http://healthvermont.gov/research/stats/vital_stats.aspx